
The Administration of Federal-aid Projects by Local Public Agencies

**UCI Tri-Annual Meeting
March 24, 2011**

Why Local Project Administration?

- Number 1 priority area for national review by FHWA field and program offices
- \$6 - \$8 Billion per year (approx. 20% of Federal-aid program)
- 38,000 Local Governments
- Identified High-Risk Area in consecutive yrs
- Proliferation of Earmarks (11,000 in 2006 alone)

National Program Review Team

Formed in Feb 2006 to...

"Assess the administration, oversight and stewardship of local public agency Federal-aid projects...

Identify areas for improvement that will ensure the overall quality and effectiveness of local project activities along with any needed changes in the oversight requirements."

Core Areas

Program Management

Project Development

- **Environment**
- **Right-of-Way**
- **Design**

Contract Award

Construction Administration

- **Inspection**
- **Billing**

The National Review Team (NRT)

Team established in 2008 with the following objectives:

- Evaluate program effectiveness and performance
- Evaluate FHWA oversight
- Identify successful practices, and
- Make recommendations for improvement

List of Common “Room for Improvements”

- Inadequate PS&E reviews
- **Issues with R/W** and utilities
- Use of local agency force account
- Use of local hiring preferences
- **Poor project documentation**
- QA/QC issues
- Inadequate state DOT oversight resources
- Labor compliance issues
- Proprietary products issues

List of Common “Room for Improvements”

- Outdated specifications
- **Inadequate Categorical exclusion documentation**
- Billing delay issues
- Contraction administration compliance issues
- Improper contract provisions
- Poor pay quantity documentation
- **Improperly processed contract changes**

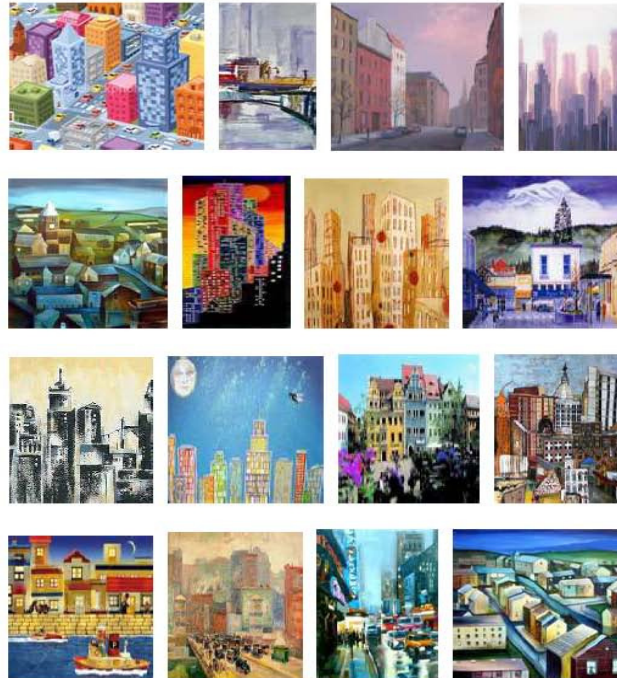
List of Common “Room for Improvements”

- **Poor financial records**
- **Poor construction management**
- Lack of design standard enforcement
- Non-responsive bids
- Impact of ARRA time constraints and review/corrections process
- Conflict of interest issues

The National Perspective



U.S. Department of Transportation
Federal Highway Administration



Local Public Agency Federal-aid Project Oversight & Program Stewardship – FY 2009 Status Report

July 2010

**Federal Highway
Administration**

FY 2009 – Contributing Levels to the Collective Programmatic Material Weakness Determination



Common recommendations focused on

- **Documentation improvements,**
- **Training and**
- **Staffing improvements**

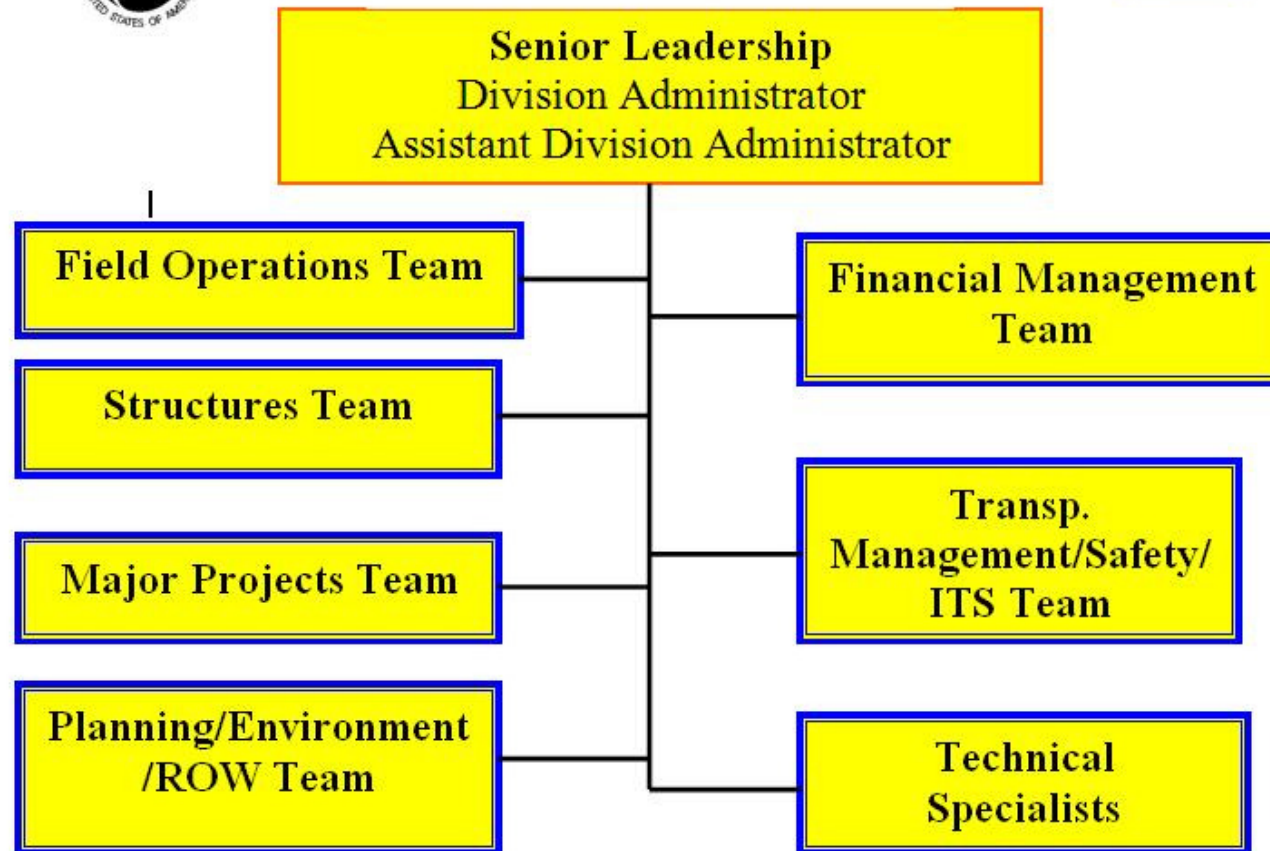
Role of the FHWA Staff

- FHWA Division office is available for consultation on all aspects of any VDOT oversight project.
- Includes...
 - fiscal matters,
 - design issues,
 - contract administration,
 - material and geotechnical issues,
 - new technologies,
 - research application, etc.

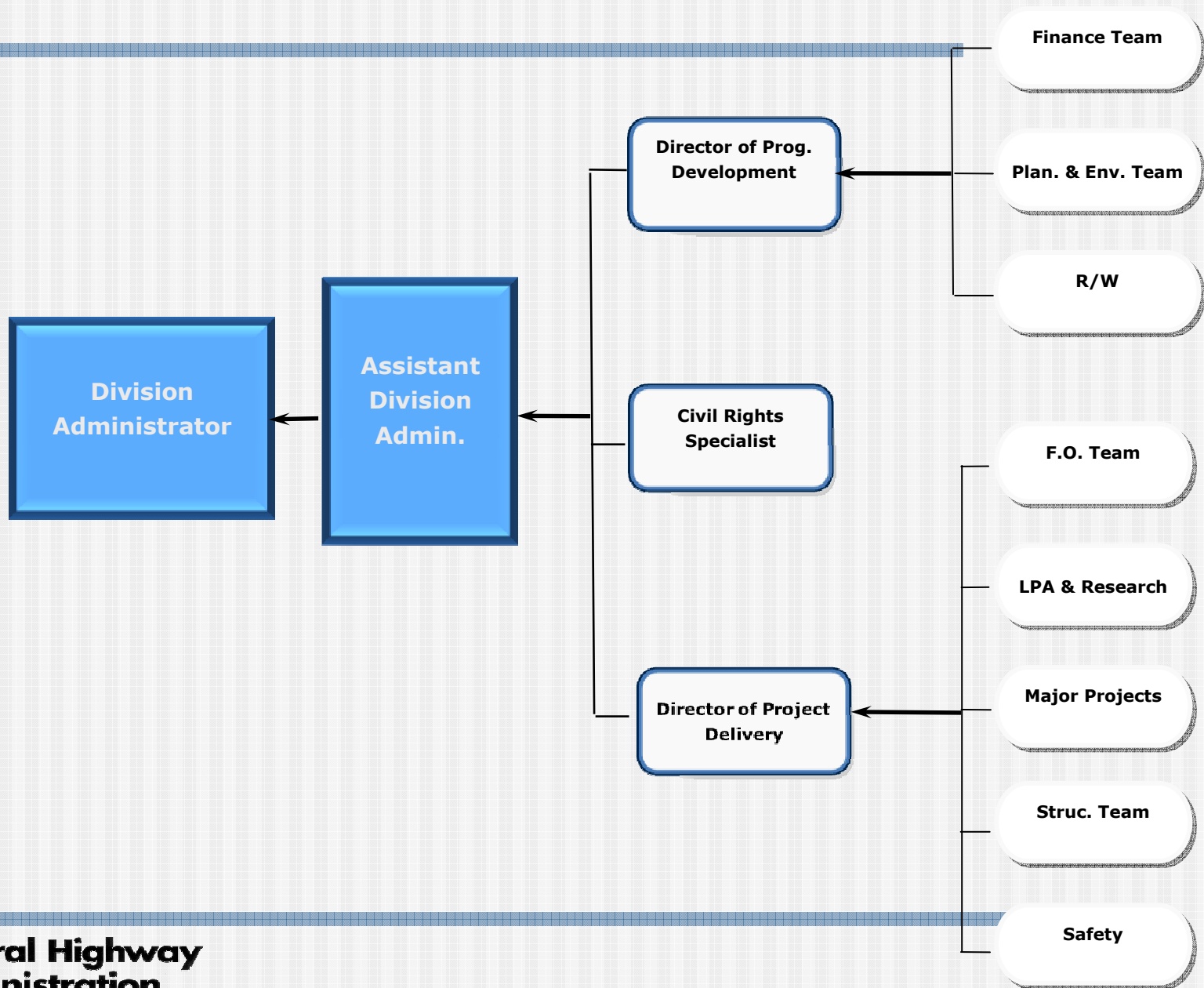
The “old” way...



FHWA VIRGINIA DIVISION ORGANIZATION CHART



The “New” way of the VA Division



**Federal Highway
Administration**

Office of Program Administration

Oversight of Federal-aid Projects Administered by Local Public Agencies

http://www.fhwa.dot.gov/federalaid/lpa/lpa_sites.cfm

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Questions/Comments

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